

NASSAU COUNTY LEGISLATURE

NORMA GONSALVES,
PRESIDING OFFICER

FINANCE COMMITTEE

RICHARD NICOLELLO,
CHAIRMAN

1550 Franklin Avenue
Mineola, New York

July 27, 2015
3:36 p.m.

REGAL REPORTING SERVICES
516-747-7353

A P P E A R A N C E S:

RICHARD NICOLELLO
Chairman

VINCENT MUSCARELLA
Vice-Chair

ROSE MARIE WALKER

DONALD MACKENZIE

DELIA DeRIGGI-WHITTON
Ranking

SIELA A. BYNOE

LAURA CURRAN

PAT KIERNANI
Clerk

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CHAIRMAN NICOLELLO: I call the Finance Committee to order. And I ask Mr. Kiernan to call the roll, please.

MR. KIERNAN: Legislator Bynoe?

LEGISLATOR BYNOE: Present.

MR. KIERNAN: Legislator Curran?

LEGISLATOR CURRAN: Here.

MR. KIERNAN: Ranking Member DeRiggi-Whitton?

LEGISLATOR DeRIGGI-WHITTON: Here.

MR. KIERNAN: Legislator MacKenzie?

LEGISLATOR MACKENZIE: Here.

MR. KIERNAN: Legislator Walker?

LEGISLATOR WALKER: Here.

MR. KIERNAN: Vice Chairman Muscarella?

LEGISLATOR MUSCARELLA: Here.

MR. KIERNAN: Chairman Nicolello?

CHAIRMAN NICOLELLO: Alrighty. We have a quorum.

Item 46-2015 is a resolution authorizing the county executive to execute a grant agreement between the County of Nassau, acting on behalf of the Department of Parks, Recreation and Museums, and The Jewish Heritage Society of the Five

Towns.

LEGISLATOR WALKER: So moved.

LEGISLATOR MACKENZIE: Second.

CHAIRMAN NICOLELLO: Moved by Legislator
Walker, seconded by Legislator MacKenzie.

Any discussion on this item?

(No verbal response.)

Any public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

It carries unanimously.

Items 265, 266, 267, 268, 269, 270, 271,
272-2105, these are all ordinance supplemental to
the annual appropriation ordinance in connection
with the Office of Housing and Community
Development, Department of Parks, Recreation, and
Museums, Social Services, Health and Mental
Health, Chemical Dependency, and Developmental
Disability Services.

LEGISLATOR MUSCARELLA: So moved.

LEGISLATOR WALKER: Second.

2 CHAIRMAN NICOLELLO: Moved by Legislator
3 Muscarella, seconded by Legislator Walker.

4 Any discussion?

5 (No verbal response.)

6 Any public comment?

7 (No verbal response.)

8 All in favor signify by saying aye.

9 (Aye.)

10 Those opposed?

11 (No verbal response.)

12 Those items carry unanimously.

13 Item 273-2015 is a resolution to
14 authorize the transfer of appropriations
15 heretofore made within the budget for the year
16 2015.

17 LEGISLATOR WALKER: So moved.

18 LEGISLATOR MUSCARELLA: Second.

19 CHAIRMAN NICOLELLO: Moved by Legislator
20 Walker, seconded by Legislator Muscarella.

21 Is there anyone here to discuss this
22 item, which is Item 273-2015? It's a budget
23 transfer.

24 MS. D'ALLEVA: Hi. This is Roseanne
25 D'Alleva from the Budget Office. This is an

overall budget transfer at this time to transfer funds to support certain departmental functions.

CHAIRMAN NICOLELLO: Where is the money coming from and going to?

MS. D'ALLEVA: Mostly, the money -- the funds are coming from debt service, due to lowering borrowings and delayed borrowings.

CHAIRMAN NICOLELLO: And it's going to which department?

MS. D'ALLEVA: We have funds going to parks, Department of Information Technology, police, public works.

CHAIRMAN NICOLELLO: In terms of the parks department, how is going to the parks?

MS. D'ALLEVA: Approximately \$4 million, \$4.5 million.

CHAIRMAN NICOLELLO: And what's the necessity of that?

MS. D'ALLEVA: There are several factors, one of which is they are funding a youth program with DSS for at least 50 seasonal employees. There was some unexpected snow, overtime paid out of their budget, other overtime in terms of the harsh winter that they suffered.

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2 There are a myriad of reasons.
3 CHAIRMAN NICOLELLO: Does anyone else
4 have any questions? Legislator DeRiggi-Whitton.
5 LEGISLATOR DeRIGGI-WHITTON: Thank you.
6 Are you aware of any transfers to the debt
7 services from capital recently?
8 MS. D'ALLEVA: Debt service from
9 capital?
10 LEGISLATOR DeRIGGI-WHITTON: Yeah.
11 MS. D'ALLEVA: No.
12 LEGISLATOR DeRIGGI-WHITTON: So this is
13 the original budgeted amount for the debt
14 service?
15 MS. D'ALLEVA: Yes. The \$9.5 million
16 was appropriated in the debt service fund to pay
17 interest and principle, yes.
18 LEGISLATOR DeRIGGI-WHITTON: The
19 original amount?
20 MS. D'ALLEVA: Yes.
21 LEGISLATOR DeRIGGI-WHITTON: You haven't
22 transferred any money in there from capital to
23 increase the amount, as far as you know?
24 MS. D'ALLEVA: No.
25 LEGISLATOR DeRIGGI-WHITTON: Okay. All

right. Thank you.

CHAIRMAN NICOLELLO: Okay. Any other discussion?

(No verbal response.)

Thank you, Ms. D'Alleva.

Any public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Any opposed?

(No verbal response.)

The item carries unanimously.

Items 274 and 275-2015 are ordinances supplemental to the annual appropriation ordinance in connection with the district attorney's office and the correctional center.

LEGISLATOR WALKER: So moved.

LEGISLATOR MACKENZIE: Second.

CHAIRMAN NICOLELLO: Moved by Legislator Walker, seconded by Legislator MacKenzie.

Any discussion on these items?

(No verbal response.)

Any public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

Those two carry unanimously.

Items 276 and 277-2015 are resolutions to authorize the transfer of appropriations heretofore made within the budget for the year 2015.

LEGISLATOR MUSCARELLA: So moved.

LEGISLATOR WALKER: Second.

CHAIRMAN NICOLELLO: Moved by Legislator Muscarella, seconded by Legislator Walker.

Any discussion on these two transfers?

(No verbal response.)

Any public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

The items carry unanimously.

Item 278-2015 is an ordinance making certain determinations pursuant to the State

2 Environmental Quality Review Act and authorizing
3 the county executive of the County of Nassau to
4 accept, on behalf of the county, an offer of
5 purchase from Journal Castma of certain premises
6 located in the Town of North Hempstead.

7 LEGISLATOR WALKER: So moved.

8 LEGISLATOR MUSCARELLA: Second.

9 CHAIRMAN NICOLELLO: Moved by Legislator
10 Walker, seconded by Legislator Muscarella.

11 Any discussion on this item?

12 (No verbal response.)

13 Any public comment?

14 (No verbal response.)

15 All in favor signify by saying aye.

16 (Aye.)

17 Those opposed?

18 (No verbal response.)

19 The item carries unanimously.

20 Item 279-2015 is a resolution to
21 authorize the transfer of appropriations
22 heretofore made within the budget for the year
23 2015.

24 LEGISLATOR MACKENZIE: So moved.

25 LEGISLATOR MUSCARELLA: Second.

CHAIRMAN NICOLELLO: Moved by Legislator
MacKenzie, seconded by Legislator Muscarella.

Any discussion?

(No verbal response.)

Any public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

That item carries unanimously.

280-15 is a resolution authorizing the
County of Nassau to execute an agreement with the
New York State Department of State in relation to
the local waterfront revitalization program for
the advancement of the 2006 Environmental bond
Act project and South Shore Blueway Trail Project
within Nassau County.

LEGISLATOR WALKER: So moved.

LEGISLATOR MACKENZIE: Second.

CHAIRMAN NICOLELLO: Moved by Legislator
Walker, seconded by Legislator MacKenzie.

I just ask that the minutes of the Public
Works Committee be incorporated by reference.

(Whereupon, the following are the minutes of the Public Works Committee pertaining to Clerk Item 280-15.)

We'll now go to Item 280-2015, a resolution authorizing the County of Nassau to execute an agreement with the New York State Department of State in relation to the local waterfront revitalization program for the advancement of the 2006 Environmental Bond Act project and South Shore Blueway Trail Project within Nassau County.

Motion by Mr. Becker, seconded by Mr. MacKenzie.

Mr. Schneider.

MR. SCHNEIDER: Good afternoon. Brian Schneider from Public Works.

We're requesting approval for Nassau County to execute an agreement with the New York State Department of State. The total amount of the grant is \$480,000, which is a 50/50 match, so \$240,000 will be coming from the county.

This grant, through the local waterfront revitalization program, will permit the county to construct kayak and other non-motorized boat

2 launches at seven locations in various county
3 parks along the south shore of the county in
4 support of the 2006 Environmental Bond Act
5 project known as the South Shore Blueway Trail.
6 The grant supervision and management will be
7 provided by DPW.

8 CHAIRMAN MUSCARELLA: Any questions?
9 Mr. Becker.

10 LEGISLATOR BECKER: The boat launches,
11 are they cement or are they just, you know?

12 MR. SCHNEIDER: There are various types.
13 Some of the launches are actually considered
14 beach launches, so we'd be installing what's
15 called a MOBY mat, which is actually an ADA
16 compliant mat which will allow kayakers to access
17 the water from the parking lot, getting their
18 kayaks into the water. Other more constructed
19 boat launches are these ADA compliant ramps,
20 which are kind of already fabricated but they
21 need to be mounted on pilings. They will go up
22 and down with the existing boat ramps.

23 LEGISLATOR BECKER: I gather they last a
24 while.

25 MR. SCHNEIDER: Oh, yeah. It's just

like any other boat launch in a marina, very similar.

LEGISLATOR BECKER: Thank you.

MR. SCHNEIDER: You're welcome.

CHAIRMAN MUSCARELLA: Thank you.

Mr. Solages.

LEGISLATOR SOLAGES: Thank you. Good afternoon, Mr. Schneider.

MR. SCHNEIDER: Good afternoon.

LEGISLATOR SOLAGES: With the Inwood Park boat ramp, what exactly would it entail? How many launching ramps will there be for the kayak boats?

MR. SCHNEIDER: For Inwood, which is being completely redesigned as far as the bulkhead is concerned, but there is a boat launch right in that park. That will be a floating ramp which will be extended out from the bottom of the boat ramp. You would be able to access the bottom of the ramp for launching your kayak, just like we're going to build at Wantagh Park, it's going to be very similar, and also at Milburn Boat Basin. It's basically an ADA compliant launch which will be extended from the bottom of

the ramp.

LEGISLATOR SOLAGES: Will be assessing fees? Specific with the Inwood location, there are many people from Far Rockaway and Queens, in general, who come to use that location, so how can we make sure that we can make sure that Nassau residents benefit primarily from this?

MR. SCHNEIDER: I can't speak for the parks department. I know they have fees for launching boats, whether they're motorized or non-motorized. It would require a parks representative, whether it's a seasonal worker during the season, to be present to make sure that the person has a -- has paid a fee to launch their vehicle. Because Inwood is kind of under repair right now and it's actually closed, I don't think the parks department has anybody at that location on a seasonal-type basis. After the bulkhead is repaired and the kayak launch is installed in Inwood, then the parks department should be able to have somebody at that location during the season.

LEGISLATOR SOLAGES: And when will that be, will the bulkheads be repaired and the kayak

launching pad established?

MR. SCHNEIDER: Well, the Inwood project is still in design right now. I would image after permits are received that it should be constructed in some time 2017.

LEGISLATOR SOLAGES: Thank you.

CHAIRMAN MUSCARELLA: Any other questions?

LEGISLATOR RHOADS: Yes, Mr. Chairman.

CHAIRMAN MUSCARELLA: Mr. Rhoads.

LEGISLATOR RHOADS: Thank you.

Mr. Schneider, is there any chance you might be able to send to my office where in Cedar Creek and Wantagh Park the launch is going to be? Do they have it mapped out already?

LEGISLATOR RHOADS: The one at Wantagh Park is actually mapped and designed. The one at Cedar Creek is a little bit of an issue because the one that was designed was basically an elevated boardwalk leading to a beach launch. Very, very difficult, expensive. DEC would require -- you need a permit from the DEC. There also maybe some conflicts with the folks who use the aerodrome. So as of right now that is really

2 the only one out of the seven that is a little
3 bit nebulous.

4 LEGISLATOR RHOADS: Thank you.

5 CHAIRMAN MUSCARELLA: Any other
6 questions?

7 (No verbal response.)

8 All those in favor signify by saying aye.

9 (Aye.)

10 Any opposed?

11 (No verbal response.)

12 That item carries.

13 (Whereupon, the following is the
14 continuation of the minutes of the July 27, 2015
15 Finance Committee meeting.)

16 CHAIRMAN NICOLELLO: Any discussion on
17 this item? Legislator Curran.

18 LEGISLATOR CURRAN: Since one of these
19 is in my district. I know you answered it a
20 little bit before. I'm just curious to know more
21 of the scope of the work at Milburn - what it
22 will look like, what it's going to entail, and if
23 there is any sense of how long - you said 2017,
24 can you maybe narrow it down a little bit?

25 MR. SCHNEIDER: Brian Schneider from

Public Works. Actually, 2017 was for the Inwood project.

LEGISLATOR CURRAN: Okay.

MR. SCHNEIDER: The Milburn Park renovation is actually going to kick off, I would say, mid-August or Labor Day, the latest.

LEGISLATOR CURRAN: Great.

MR. SCHNEIDER: That renovation includes complete replacement of the bulkhead, installation of a new comfort station, which hasn't been there in many, many years. There is new landscaping, new lighting, new seating going all the way up the Milburn Park going all the way up to Merrick Road. There will also be an ADA compliant kayak launch, as part of this grant, which will be installed at the boat basin. Also new pervious paving for the parking area. It's really going to be a major renovation to that really underutilized park. I think it's going to be a huge improvement for the community.

LEGISLATOR CURRAN: So pervious and that water can come down.

MR. SCHNEIDER: Exactly right. It reduces the amount of runoff that will be

discharged into the canal.

LEGISLATOR CURRAN: I'm so glad I asked.
Very interesting.

How long will it take?

MR. SCHNEIDER: It's a one-year project.
Again, commencing, I would say -- let's just say
Labor Day. Even though the funds are encumbered,
we're waiting for the conform contract book to
come back and NIFA approval. But everything is
going to be on track for a September 1 start.

LEGISLATOR CURRAN: I don't know if you
know about the cardboard boat race, the annual
cardboard boat race there. They're planning it
for the Sunday after Labor Day; should they maybe
change the date?

MR. SCHNEIDER: No. Nothing is really
going to be impacted. Even though we issue a
notice to proceed, there's a lot of paperwork
that needs to be provided by the contractor as
far as all of the submittals that need to get
prepared and reviewed by the department, so there
probably will not be that much activity going on
the week after. They may put a construction
trailer and set up some temporary construction

fence, but certainly nothing that's going to impact the event.

LEGISLATOR CURRAN: Are there any other -- are we doing other pervious lots like this? This sounds like such a great idea.

MR. SCHNEIDER: Whenever we had that opportunity, it is something that we have explored and have installed at a couple of different locations. Even though it sounds like a really fantastic way to use low impact development, it does require some maintenance. The pores of the pavement itself need to be blown out to make sure that they're not going to get clogged. It is a little bit more maintenance intensive but it does perform a really significant function, as far as reducing the amount of runoff that would fall off of an impervious surface.

LEGISLATOR CURRAN: And is that technology relatively new?

MR. SCHNEIDER: Let's just say it's been an emerging technology. It really is not so significantly different in the type of asphalt. It's really how it's applied and making sure that

2 there is a drainage layer below that that will
3 allow the water that does percolate through the
4 pervious surface to then infiltrate down into the
5 water table.

6 LEGISLATOR CURRAN: Great. Very
7 interesting. Thank you very much.

8 MR. SCHNEIDER: You're welcome.

9 CHAIRMAN NICOLELLO: Any other questions
10 for Mr. Schneider?

11 (No verbal response.)

12 Thank you very much.

13 Any other discussion?

14 (No verbal response.)

15 Any public comment?

16 (No verbal response.)

17 All in favor signify by saying aye.

18 (Aye.)

19 Those opposed?

20 (No verbal response.)

21 The item carries unanimously.

22 Items 281, 282, and 283-2015 are
23 ordinance supplemental to the annual
24 appropriation ordinance in connection with the
25 Office of Housing and Community Development and

the Department of Health.

LEGISLATOR WALKER: So moved.

LEGISLATOR MUSCARELLA: Second.

CHAIRMAN NICOLELLO: Moved by Legislator Walker, seconded by Legislator Muscarella.

Any discussion?

(No verbal response.)

Any public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

Those items carry unanimously.

The next three items are 284, 285, and 286-2015. These are resolutions to authorize the county assessor and/or the county treasurer and/or the receiver of taxes of the Town of Hempstead, Town of Oyster Bay, and City of Long Beach to correct erroneous assessments and taxes in accordance with petitions of the county assessor on specific properties located in various school districts.

LEGISLATOR MACKENZIE: So moved.

LEGISLATOR WALKER: Second.

CHAIRMAN NICOLELLO: Moved by Legislator MacKenzie, seconded by Legislator Walker.

Any discussion on these three items?

(No verbal response.)

Public comment?

(No verbal response.)

Hearing none; all in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

Those three items carry unanimously.

Item 287-2015 is an ordinance supplemental to the annual appropriation ordinance in connection with the Office of Housing and Community Development.

LEGISLATOR WALKER: So moved.

LEGISLATOR MUSCARELLA: Second.

CHAIRMAN NICOLELLO: Moved by Legislator Walker, seconded by Legislator Muscarella.

Any discussion?

(No verbal response.)

Any public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

It carries unanimously.

Items 288 and 289-2015 are resolutions to authorize the County of Nassau to participate in a federal aid transportation project providing for the resurfacing of various county roads, Phase 33, Pin 0760.43 and authorizing the county executive of the County of Nassau to execute the agreement on behalf of the County with the State Department of Transportation.

The second item, 289, relates to providing for the in-kind replacement of Long Beach Road over Barnum Island Creek.

LEGISLATOR WALKER: So moved.

LEGISLATOR MUSCARELLA: Second.

CHAIRMAN NICOLELLO: Moved by Legislator Walker, seconded by Legislator Muscarella.

Any discussion on these two items?

Legislator DeRiggi-Whitton.

LEGISLATOR DeRIGGI-WHITTON: I'm just

curious. This is through FEMA, correct? No.
It's through New York State Department of
Transportation.

MS. BOYLE: Correct. It is not through
FEMA. It is through FHWA.

LEGISLATOR DeRIGGI-WHITTON: Is this
just something they do periodically?

MS. BOYLE: The Transportation Act is a
bill that is funded by the federal government.
It typically runs every five years; however,
we're on about our millionth short-term extension
as opposed to a long-term funding plan. We
should be getting new numbers and have new
transportation solicitation that go out within
the next four months or so.

LEGISLATOR DeRIGGI-WHITTON: How do we
determine what roads or what area? Does it have
to do with major flooding?

MS. BOYLE: No. It doesn't have to do
with flooding. It has to do with transportation
facilities. The way that -- some roads are not
eligible to be resurfaced with FHWA money. Only
roads that are identified as arterials or
national highway roads, for instance. Peninsula

Boulevard would qualify for funding. However, a local street won't qualify for funding. It has to be designated by the federal government as a road. Park Boulevard within Eisenhower Park is a road on county property; it is not considered a road by the federal government so that one wouldn't be eligible for FHWA funding.

It's -- I don't want to use the word technical because anyone could understand it. It's just there are a list of rules and you have to check the boxes.

LEGISLATOR DeRIGGI-WHITTON: Believe it or not, I have another West Shore Road -- well, it's not West Shore Road -- just Shore Road in North Hempstead --

MS. BOYLE: That's on a different resurfacing that we're currently working on the plans for right now. So I don't believe -- this is my opinion. I don't believe you would want me to delay and take it off the project that it's on now and put it on a federal aid job.

LEGISLATOR DeRIGGI-WHITTON: I just heard that we were starting with the Army Corps of Engineers. I hadn't heard that it was

definitely on a list already.

MS. BOYLE: Yes. I believe it's Phase 50, but I would have to verify that.

LEGISLATOR DeRIGGI-WHITTON: Could you get me that information? Again, this road is also totally compromised. I don't want it to collapse like the last one. I don't want to live through that again. The one in Bayville I used to have, and now I have this one in Port Washington.

MS. BOYLE: They are two different situations.

LEGISLATOR DeRIGGI-WHITTON: Correct. But I saw the seawall is gone and things like that. It just reminded me of that.

But if you could let me know what funding is available for that. We were just starting to look into the Army Corps of Engineer.

MS. BOYLE: This is Shore Road in the City of Glen Cove.

LEGISLATOR DeRIGGI-WHITTON: No. No. I have one there too.

MS. BOYLE: That's the one I was referring to.

LEGISLATOR DeRIGGI-WHITTON: There is one in North Hempstead. It's actually in Baxter Estates, Port Washington. It's a main road out of Sands Point.

MS. BOYLE: And it's called Shore Road?

LEGISLATOR DeRIGGI-WHITTON: Shore Road. East Shore Road.

MS. BOYLE: That's a different road, okay.

LEGISLATOR DeRIGGI-WHITTON: That was also hit recently with the storms. The entire seawall is gone.

MS. BOYLE: I will have to look into that one. I'm sorry. I thought you were referencing the one in Glen Cove.

LEGISLATOR DeRIGGI-WHITTON: I apologize, I wasn't clear then. The one in Port Washington.

MS. BOYLE: I have to investigate that one.

LEGISLATOR DeRIGGI-WHITTON: If you could, because we just are going to start with the Army Corp. Before we get into that, maybe we should see if something like this would be

available.

MS. BOYLE: Okay.

LEGISLATOR DeRIGGI-WHITTON: Thanks so much.

MS. BOYLE: All right.

LEGISLATOR DeRIGGI-WHITTON: I'll talk to you. Thank you.

CHAIRMAN NICOLELLO: Thank you.

Any other questions or discussion?

(No verbal response.)

Any public comment?

(No verbal response.)

All in favor of these two items signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

They pass unanimously.

Item 290-2015 is a resolution authorizing the county executive to execute an amendment to a grant agreement between the County of Nassau, acting on behalf of the Department of Parks, Recreation and Museums, and the Village of Sands Point.

LEGISLATOR WALKER: So moved.

LEGISLATOR MACKENZIE: Second.

CHAIRMAN NICOLELLO: Moved by Legislator Walker, seconded by Legislator MacKenzie.

Any discussion on this item?

(No verbal response.)

Public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

Carries unanimously.

Item 291-2015 is ordinance authorizing the county executive to execute an amendment to the certain lease dated as of February 2, 1990, between Nassau District Energy Corp., now known as Nassau Energy, LLC., as tenant, of certain premises described as Section 44, Block F, P/O Lot 317C on the land and tax map of the County of Nassau.

LEGISLATOR WALKER: So moved.

LEGISLATOR MACKENZIE: Second.

CHAIRMAN NICOLELLO: Moved by Legislator

Walker, seconded by Legislator MacKenzie.

I know there has to be a change with respect to the lot number.

Also, I would like to incorporate by reference the minutes of the Planning Committee. There was extensive discussion and a presentation by Mr. Meyers of the firm of Pannone Lopes.

(Whereupon, the following are the minutes of the July 27, 2015 Planning, Development and Environment Committee pertaining to Clerk Item 291-15.)

The final item before this committee is Clerk Item Number 291-15, which is an ordinance authorizing the county executive to execute an amendment to the certain lease dated as of February 2, 1990, between Nassau District Energy Corp., now known as Nassau Energy, LLC., as tenant, of certain premises described as Section 44, Block F, P/O Lot 317C on the land and tax map of Nassau County located at Charles A. Lindbergh Boulevard, Uniondale, New York, all as in the lease more particularly described, and authorizing the county executive to execute all pertinent documents in connection therewith to

consummate the lease amendment.

Can I have a motion?

LEGISLATOR DUNNE: So moved.

LEGISLATOR RHOADS: Second.

CHAIRWOMAN SCHAEFER: Moved by
Legislator Dunne, seconded by Legislator Rhoads.

Are you here to speak on this item?

MR. MEYERS: Yes.

CHAIRWOMAN SCHAEFER: Okay.

MR. MEYERS: Josh Meyers, Pannone Lopes
Devereaux & West, 81 Main Street, White Plains,
New York 10601.

So, this is an amendment to the existing
lease with Nassau Energy LLC. The County is
nearing the end of the 25 year lease with Nassau
Energy LLC to provide the thermal energy to a
number of customers within the HUB. That thermal
energy is hot and chilled water and steam, as
well.

Nassau Energy LLC, 25 years ago, utilized
private money to construction a co-generation
facility utilizing natural gas to generate
electricity, and this is the waste heat that is
thrown off of this facility powers the boilers

and chillers to send the thermal energy to these nine different customers within the HUB.

Right now, the current lease expires in 2016. We're here today on the amendment to extend for a one year or a two year period, at the discretion of the county. Also, there is a credit to the county for each year of that extension of 950,000, plus an additional credit based on a formula that's included in the amendment, for up to \$1.75 million in the first year and \$1.25 million in the second year, for a total potential credit to the county of \$4.9 million over the two year term.

The amendment itself is beneficial to the county because it's not clear what the electric rates will be over the next two years. We're going to go out to an RFP on this project for a lease, to continue a long-term lease of this facility or have someone, a new proposer come in and construct a new co-generation facility to give better rates for the county and its customers.

Just to go through it a little bit for the background. This facility is actually on the

other side of Charles Lindbergh Boulevard, from the Coliseum. As I said, it was built approximately 25 years ago. It services nine different customers in the HUB. So it's the Nassau Community College, the Coliseum, the Cradle of Aviation Museum, the Marriott Hotel, the Children's Museum, NUMC, the Correctional Facility, the Aquatic Center, and the Eisenhower Park technical services facility. Some of those receive hot water and chilled water and the remaining customers received steam.

As I indicated, what we're going to do is go out for an RFP probably in the next three weeks to a month to determine if we can get a new proposer in there to operate the facility on a long-term basis.

CHAIRWOMAN SCHAEFER: Thank you.

MR. MEYERS: Sure.

CHAIRWOMAN SCHAEFER: Does anyone have any questions? Legislator Curran.

LEGISLATOR CURRAN: Hi.

MR. MEYERS: Hi. How are you?

LEGISLATOR CURRAN: I'm fine, thanks.

So, this is something with many moving parts, and

I have a few questions.

How was the \$950,000 for the credit, how was that determined?

MR. MEYERS: That was through a negotiated basis with the current operator. It's SUEZ, really, Nassau Energy. It was just based on -- it's on mutually agreeable terms. They could have said that it was nothing, and we could not have moved forward with any type of extension. It was over an extended negotiated period, to have the 950 plus this formula-based credit.

LEGISLATOR CURRAN: And where will this 950,000 go?

MR. MEYERS: That will be on credit with the company, and then the county can apply whatever monthly invoices that come to the county, be applied against that. So right now you have the actual cost to supply this steam heat as well as the chilled and hot water to those county customers, plus right now the county also pays real property taxes on that facility, and those portions -- to the school districts and to the towns and villages, to the town and the

villages there, and they can apply that as well.

LEGISLATOR CURRAN: Okay. Also, you talk about the nine different customers - the College, the jail, the hotel, the museums, and Coliseum. What happens with the agreement with these other entities? Are those done too at the same time? Are they all on the same timeline? Will they all be covered by the same RFP?

MR. MEYERS: Yes. That's correct. Under this existing agreement and existing lease that the county has. Certain of those the county is responsible for and -- so the Marriott the county does not cover. On the Coliseum, the county currently covers those costs, but with the new agreement, when Forest City Ratner takes over on August 1, next Saturday, the county will shed themselves of those costs, which is about a million to a million and a half dollars a year.

LEGISLATOR CURRAN: Okay. All right.

There is -- let's see. Is there -- do we have an estimate of the current sale price of this co-generation plant?

MR. MEYERS: The actual asset value?

LEGISLATOR CURRAN: Yeah.

MR. MEYERS: The proposed book value, as they call it, is approximately \$27 million. Pursuant to the lease, the entity, Nassau Energy, is able to, through generally accepted accounting principles, through GAAP, they're allowed to value, under the lease, the current book value. It's based on the way that they depreciated the asset. If the county chose to accept -- chose to keep that facility at the end of their term, if we didn't extend it in June of 2016 or if this amendment went through in 2018, if the county chose to keep that facility, they would end up paying that book value. That book value has been set by SUEZ, and we're still in the process of negotiating that, at approximately \$27 million.

LEGISLATOR CURRAN: Okay. There is a concern that this, you know, was a 25 year lease and we're asking for an extension a little bit at the last minute. I'm concerned that maybe we can't necessarily be negotiating for the best deal for the county.

MR. MEYERS: Right. It's been, as I indicated, we've been negotiating with them. They could have come back and said at any point,

and this has been over the last few months, last probably six to eight months. They could have come back and said because it's a mutually agreeable terms that it's zero that they would give us back to us. So the county, through the committee that is in place to review these items, indicated that this was probably the best deal we could get for the county. And we feel based on the way that the electricity rates are going that this is an excellent deal for the county. When we go back out for an RFP the savings may be more or less than this. We have Parsons Brinkerhoff (phonetic) assisting us as the engineering firm, and they felt that based on the way the electricity market was moving that this is the best deal for the county.

LEGISLATOR CURRAN: So you say this is a good deal. Is there something that we can reference that we're getting energy at a good price? Is there an outside, independent way that we can compare that?

MR. MEYERS: We won't be able to see that until we receive the proposals in response to the RFP.

LEGISLATOR CURRAN: Okay.

MR. MEYERS: As I indicated, it's up to a \$4.9 million savings, or an average of \$2.45 million each year for two years over what the county is currently receiving.

LEGISLATOR CURRAN: I see.

MR. MEYERS: We know that that's a good deal on that basis.

LEGISLATOR CURRAN: Okay. I have one more question.

You said the RFP - one of my questions you actually answered. You said the RFP is going to go out in three weeks to a month.

MR. MEYERS: Yes.

LEGISLATOR CURRAN: Okay. Thank you.

MR. MEYERS: Thank you very much.

CHAIRWOMAN SCHAEFER: Legislator Ford, you have a question?

LEGISLATOR FORD: What would happen if they decided not to extend the lease? What would happen in 2016 if we didn't extend it?

MR. MEYERS: In 2016, we would be conducting the procurement and the existing -- the proposers that would come in would either

take over that facility or construct a new facility on an adjacent site and be able to -- you could actually run the existing facility with the county's boilers and chillers that they currently own. This is just a more efficient, effective process. There are boilers and chillers on site right now; the county could utilize those, those are the one that were county owned and the county had built prior to this co-generation facility being constructed. The county could just go in and operate those. This is just a more efficient and effective basis through the co-generation.

LEGISLATOR FORD: By continuing with the person, the energy supplier right now.

Like, would we be able to take over and operate this by 2016 on our own if we did not have, if we didn't have anybody to take the place of the company that we have.

MR. MEYERS: The County could. But we could easily, very quickly conduct a request for proposal process for just an operator, not to bring in a new co-generation facility.

LEGISLATOR FORD: Just operate it, you

know, for a certain amount of time with the existing technology that we're using right now.

MR. MEYERS: That's correct. The boilers and chillers onsite have been reviewed by Parsons Brinkerhoff and we have, through a request for expression of interest process, spoken to the nine largest players in this industry throughout the country that are interested in this facility and they indicated that they have reviewed this facility and all the technical data associated with that and they could easily provide the services necessary with the existing boilers and chillers.

LEGISLATOR FORD: Okay. So then by extending it for two years, we could then do an RFP to see if there is another vendor who can come and do co-gen energy, correct?

MR. MEYERS: Yes. There is significant interest from the players in the industry on that that think that they could come in and operate this and provide potentially better rates.

LEGISLATOR FORD: So what they could do is they could keep then the co-generation going, in case -- more than likely they're probably

going to have to build a new power plant, so to speak, on the adjacent site, correct?

MR. MEYERS: Potentially. That's correct. And the two years is required in order to appropriately size the co-generation facility as well as get permits. They're burning natural gas onsite there. You need permits from the state DEP, so that all takes time in order to bring in a facility like that.

LEGISLATOR FORD: I know that Legislator Curran, she brought up, to make sure that we are getting the best value right now, that we are getting, you know, proper reimbursement from this company.

MR. MEYERS: Like I said, so, when you take a look at it and you see the significant savings based on what the county has been paying since that time, it's a significant savings.

LEGISLATOR FORD: Thank you.

CHAIRWOMAN SCHAEFER: Legislator Jacobs.

LEGISLATOR JACOBS: Most of my questions have been covered already, but I wanted to ask you something.

I'm assuming, and I hope correctly so,

that after 25 years the reason for a new RFP is to make sure that we're getting the right amount, that we're getting the right amount.

MR. MEYERS: That you're getting the right amount and you're using the highest and best technology onsite. There are a lot of things that have changed. You can look at micro grids that facility.

Right now all of the electricity that's being generated onsite is being sold to LIPA. So that could potentially be brought onsite. We'll be looking at the police training facility as a new facility that's right down the road from there. But it is to make sure the county's getting the best rates for this service and to bring in the --

LEGISLATOR JACOBS: I just have a couple of very quick ones for you.

Are you imagining that this particular company will be involved in that new RFP?

MR. MEYERS: Yes. They have expressed their intention to propose on this process.

LEGISLATOR JACOBS: Okay. Is there any way you have of knowing whether they have done

updates through the years?

MR. MEYERS: Yes. Actually, there was a review conducted and they were hired by the county, I would say, within the last eight months or so. DCO Energy actually went onsite, reviewed all the maintenance records, reviewed the facility, and prepared a report associated with that to say that they kept the facility up, running, and maintained in accordance with good industry practice.

LEGISLATOR JACOBS: That's good. My last one was this. You said about three to four weeks before the RFP goes out --

MR. MEYERS: Yes.

LEGISLATOR JACOBS: What, in your mind, when would you say -- number one, when will they actually go out and when do we expect them to come back? How many days do they have once they go out?

MR. MEYERS: It will probably remained on the street for approximately a four month period in order to give them time to go onsite and review as well as review the technical data associated with that, and then probably -- there

will be a review of those proposals and then a negotiation period following that.

LEGISLATOR JACOBS: Why isn't this particular piece of property tax exempt? I'm not saying that I'm sad that it's not. But why isn't it tax exempt? Why are we paying taxes on it?

MR. MEYERS: Right. So there was litigation on it. It was unclear at the time in the existing lease, when it was entered into with who was Tri-Gen Energy. There was litigation on that. The county -- it was unclear in that lease.

At the time, the county, through a settlement process, ended up indicating that they were going to pay the first \$100,000 of any real property taxes on the site, that's when the real property taxes were \$100,000. As of recently, the taxes on the site were \$2.4 million, which the county was required to pick up the tab on that. They reassessed it within the last year or two; it was \$1.6 million. The county, through that litigation, through the settlement process had agreed to make those payments.

LEGISLATOR JACOBS: It's a little

strange, right? Because it's our property.

MR. MEYERS: It's very strange. What will happen in this next one, which is, like I said, we'll be shedding the costs for the Coliseum, that's another benefit of the Coliseum project, is that Forest City Ratner picks up all those costs. On this deal, the next operator and next lessee of this property will go in and they'll be required to make those real property tax payments. So the next operator coming in will make those. The only thing I can say is they're going to pass that along through the rates to the customers.

LEGISLATOR JACOBS: I just have to ask you one question that's bothering me. I've been here a long time. I just don't quite understand when it's county property it's exempt. No matter what the lease says -- how do you have those two meet in a logical way? It's exempt property but because the lease didn't particularly say it was exempt we're paying taxes on it all this time.

MR. MEYERS: You're not paying them obviously to the county. You're paying them to those localities, to the town and to the school

district.

LEGISLATOR JACOBS: To the towns and school districts, okay. So it's almost like a pilot, in a way. Similar to a pilot.

MR. MEYERS: Yes. And it was through the settlement. Yes.

LEGISLATOR JACOBS: Okay. Thank you very much.

CHAIRWOMAN SCHAEFER: I have one quick question. Maybe you answered this before. What happens in two years? You said we're extending it for two years. The current provider will go into an extended lease, or?

MR. MEYERS: So then we're conducting the RFP process. The procurement process is beginning in the next three to four weeks, and that would bring in a new operator and a new lessor, potentially, to construct a new facility onsite or take over the existing equipment and operate that facility. So at the end of that two years, either Suez will potentially propose on that. So it will either go Suez or a new proposer at that time, which we will determine probably in the next nine to 12 months, who will

be taking it over at that time.

CHAIRWOMAN SCHAEFER: Okay. Thank you.

MR. MEYERS: Sure.

CHAIRWOMAN SCHAEFER: Legislator Rhoads.

LEGISLATOR RHOADS: Thank you, Madam
Chairwoman.

Mr. Meyers, just so I understand, we keep
talking about it as being a two year extension.
Is this actually a one year extension with a one
year county option?

MR. MEYERS: Right. The county has
until October of this year to make the
determination, whether or not to make it a one or
two year extension.

What happens is - I started to get into
the discussion with Legislator Curran - is that
if the county wanted to take over the facility -
what happens is this is effectively one of the
first public-private partnerships that the county
entered into 25 years ago. So, Suez actually
came in and fronted the money to construct this
facility. The state comptroller came in and said
if the county wants to step back in and take that
over, the county would need to pay book value at

the end of the term. The county also has the option to tell Suez to pull the equipment, and we'll just have someone come in and construct a new co-generation facility in there. How that relates to the one or two year extension is we also have to pay book value on the 3.5 mile steam pipe that goes from here to NUMC. Through negotiations, we've indicated, with Suez is that if we extend it for one year, we still have to pay the book value for the steam pipe. If we go for two years, we pay them \$1 for the steam pipe. The book value on the steam pipe is approximately \$3.5 million right now. So the county would get the added benefit if they do that.

We would probably make that determination prior to issuing the RFP. So we would probably make it within the next month as to whether or not we're going to go for one or two years. With this extension we wouldn't do one year and then do another year. We'll either tell them with the RFP is issued because you need that certainty in the RFP or else the proposers are all over the place when they come in with their proposals. Here, they want that certainty. They want to

know whether or not they're going to need to -- excuse me -- purchase that equipment for book value; that would cost the proposer \$27 million to take over the existing assets, as well as the steam pipe. So we want that certainty, how long and how long they have to construct their new facility and get their permits. Prior to the issuance of the RFP, the county would make the determination as to whether it's one or two years.

LEGISLATOR RHOADS: So the book value has been established at \$27 million flat or is that \$27 million less depreciation?

MR. MEYERS: That's effectively with their depreciation.

LEGISLATOR RHOADS: Okay. And I believe you indicated that there were boilers and chillers that were there before that we could theoretically operate if, in fact, the plant closed; is that accurate?

MR. MEYERS: Yes. If anything happened -- the county originally had the boilers and chillers onsite, and then, subsequent to that point, the county went out for procurement to

have a private entity come in and finance the construction of this cogeneration facility, which throws off this waste heat as a result of the electricity process, generating electricity and this throws off this waste heat, which then you generate chilled water and hot water as a result of. You could also really bring in flatbed boilers and chillers as well on a temporary basis to supply any needs that you would.

Like I said, through Parsons and through these major companies, which are the biggest in the U.S., that are interested in these types of facilities, they indicated that the existing equipment onsite, which are currently maintained and kept on standby at all times in case the co-gen facility went down, they have been maintained by Suez, are adequate and appropriate to provide the services necessary.

LEGISLATOR RHOADS: What's the effect -- just really -- it's probably not relevant to really the proposal, but for my own edification. What's the useful life on the plant and its equipment as it is? It's 25 years old at this point.

MR. MEYERS: Right. Everybody says this. It's General Electric Frame 6, which they said is 40 or 50 years if you continue to maintain it. It's a significant generator of electricity. They just say it's the workhorse of the industry and they can use it. They could develop that. Most of these proposers, many of the proposers have indicated they may do that, they may take it over on a temporary basis, a long-term basis, or they may bring in their own cogeneration, a new, effectively, Frame 6 cogeneration plant and right size it for the appropriate needs of the hub.

LEGISLATOR RHOADS: Okay. As you may have heard, by the way, development of the hub has been a topic of conversation around here.

MR. MEYERS: I wasn't aware of that.

LEGISLATOR RHOADS: Does the existing plant have the capacity to be able to handle the additional infrastructure if, in fact, it winds up getting built?

MR. MEYER: Yes. I would say on the chilled it does not. Really, they're at capacity with the chilled, especially in connection with

the Coliseum. They would just need to bring on additional chillers in order to provide that. But they could do that. It would have to be in addition to this. But with the chilled water, it is at capacity. The chilled water isn't domestic, coming out of the tap, that's for air conditioning purposes. So at the Coliseum, especially with the increased uses, you would have to bring in that supplemental ability to do that.

LEGISLATOR RHOADS: So, presumably, the new plant, if, in fact, we are putting out an RFP theoretically for the construction of a new plant, would include I guess capacity to be able to handle whatever else we're building there?

MR. MEYERS: That's correct. And, like I said, the new ones, Frame 6 is essentially 1970's technology. They would easily, with more efficient cogeneration facilities that are being produced, provide the necessary capacity for the needs of the hub.

LEGISLATOR RHOADS: And would the idea also be to keep the existing plant as a backup?

MR. RHOADS: You probably couldn't keep

that. One thing is, if the county indicated to Suez that they no longer wanted a cogeneration facility, Suez would probably pull that facility out of there, which they have the right to do and they most likely would, for a certain value. They would probably just keep the boilers and chillers and bring in this new facility.

LEGISLATOR RHOADS: Great. Thank you, Mr. Meyers. No other questions. Thank you.

CHAIRWOMAN SCHAEFER: Legislator Jacobs has another question.

LEGISLATOR JACOBS: I'm really sorry, but I do have another question. Let me ask you a question. If I heard you right, you said around the end of October that the county will be making a determination as to whether it's a one year or two year renewal.

MR. MEYERS: I actually said that we have until October. We would intend to do it prior to the issuance of the RFP.

LEGISLATOR JACOBS: You intend to do it prior to the issuance.

MR. MEYERS: Yes. So we have, pursuant to the amendment, until October to do it. We

would do it within the next three to four weeks, prior to the issuance of the RFP. We want to tell the proposers exactly what the county wants to do; whether it be one or two years, because they will need to know that for their planning purposes.

LEGISLATOR JACOBS: Okay. So, in other words, their extension is not really based on what this RFP answers will be. The thing we're thinking is it's going out. They're going to be making a determination before the RFP is returned to us with the people that really want to be participating, but that would have nothing to do with this extension?

MR. MEYERS: Right. We want to tell the potential proposers exactly what we want to do with this facility, yes.

We've met with those proposers -- the are potential proposers -- there many of them through the request for expression of interest process. They would like, I would say, more time to be able to permit the facility and review all the data. Two years is not a lot of time in the industry in order to get one of these facilities

constructed.

The proposers prefer specificity in the RFP process, and that's why we would tell them what we're interested in.

LEGISLATOR JACOBS: Let me ask you something. I know it was 25 years ago. I've only been here 20 years; first time I could say I wasn't here with something.

Can I ask you a question? What, in your mind - maybe you have no idea why they did it. What was the reasons for this kind of a facility to be built there rather than a normal electrical charge that people get when they're running things?

MR. MEYERS: Right. If you take a look at this technology, many of the buildings - it's usually combined heat and power is what you see in many commercial and residential buildings in Manhattan. You will see this type of -- you're generating the electricity. Plus, it's just waste heat, otherwise it just goes out the window and it goes nowhere. Here it's very efficient and effective because you're using that to generate hot water and it's very efficient and

cost effective.

Here they actually - my understanding is they built it when they were going to make the Coliseum area the Kennedy Center or it was supposed to be a huge development with many commercial buildings as well as the Coliseum on site.

LEGISLATOR JACOBS: Boy, that sounds familiar.

MR. MEYERS: Right. Right. Exactly. So that never came to pass. They just converted it and they brought in all these additional customers to make it a cost effective and efficient process.

LEGISLATOR JACOBS: Thank you very much.

MR. MEYERS: Thank you.

CHAIRWOMAN SCHAEFER: Any other questions from the legislators? Legislator Curran.

LEGISLATOR CURRAN: About the correctional center, if I'm understanding it correctly, the jail has a deal with the hospital not directly with Suez. So would they have to negotiate their own thing with the hospital? How

would that work? I just wanted to make sure that the correctional center is covered.

MR. MEYERS: Right. So everyone is subject to the agreement in the lease that the county has. What happens is there is a three and a half mile steam pipe, and that steam pipe goes all the way to NUMC, and they have their own boilers and chillers there, and then that steam is passed along -- it powers the chillers at NUMC, which then passes that along to the correctional facility. But they're all beholden to the rates and the deal that's worked -- that the county is working out under this lease.

LEGISLATOR CURRAN: And that will continue this RFP, all the entities will have the same --

MR. MEYERS: That's correct.

LEGISLATOR CURRAN: genesis.

MR. MEYERS: Yes.

LEGISLATOR CURRAN: Okay.

CHAIRWOMAN SCHAEFER: So then the correctional facility could potentially have better rates as well?

MR. MEYERS: That's correct.

CHAIRWOMAN SCHAEFER: And the hospital?

MR. MEYERS: Yes, that's correct.

CHAIRWOMAN SCHAEFER: Thank you.

Any other questions?

(No verbal response.)

Any public comment?

MR. WALSH: This is Kevin Walsh. I just wanted to add one small correction.

On the actual ordinance for this item it listed as Section 44, Block F, Part of Lot 317C; that was actually accurate back in the '90's. Lot 317C is now known as Lot 407. So I just wanted to make that technical correction.

CHAIRWOMAN SCHAEFER: Okay. We need you to submit an amendment before the end of the day on that.

MR. WALSH: Okay. That's fine.

CHAIRWOMAN SCHAEFER: Thank you.

All those in favor of passing this item signify by saying aye.

(Aye.)

Any opposed?

(No verbal response.)

The item passes unanimously.

(Whereupon, the following is the continuation of the July 27, 2015 Finance Committee meeting minutes.)

CHAIRMAN NICOLELLO: Does anyone have any specific questions at this time? Do we have anyone here with respect to this item? Legislator DeRiggi-Whitton.

LEGISLATOR DeRIGGI-WHITTON: I just had a quick question.

In the news lately they have been mentioning how energy prices might be coming down significantly. Is there anything in this lease or contract that would enable us to negotiate rates should that occur?

MR. MEYERS: No, not at this time. As I indicated in my previous testimony, it's a matter of -- the way that this is structured, we enter into substantial negotiations with Suez, with Nassau Energy, LLC regarding this. It was on mutual agreement of the parties and this is the result of the negotiations based on the committee that we have in place to review this, as well as Parsons Brinkerhoff, which is the engineering firm associated with this. This is, what they

felt to be, the best deal that the county could get under the circumstances. It's the potential for \$4.9 million in credit to the county over that two year period, plus, as I described before, if we enter into the two-year extension, the county will be able to purchase the steam pipe from Suez for a dollar which results in -- it's effectively valued at \$3.5 million.

LEGISLATOR DeRIGGI-WHITTON: Just so I understand. I'm not saying that it's not a good idea. We basically figure out the costs, what we anticipate the rate to be for the next how many years would you say?

MR. MEYERS: Under the new lease that would be entered into, yeah, 25 years.

LEGISLATOR DeRIGGI-WHITTON: So we try to anticipate the cost of that now going forward, correct?

MR. MEYERS: Correct.

LEGISLATOR DeRIGGI-WHITTON: And what does that -- I know you just mentioned an engineer. Are there any other -- like, what is that based on? What numbers do you look at for that estimation?

MR. MEYERS: I think it's a combination of two things. It's one that the county would get this significant value as a result of the two year extension, plus the additional time that the county could utilize to bring in the new proposer. So it's a combination of those two things.

Parsons Brinkerhoff has looked at the energy market moving forward. It's not necessarily that the rates will be coming down. It's really an unknown at this time. So they felt that based on this the rates could go either way on it. Notwithstanding that, the county will need the time to conduct the procurement. They could bring in an operator just to operate. As I indicated previously, the boilers and chillers that currently exist at the energy facility that the county owns and is currently leased by Suez. The committee, as a whole, felt that this was the best way to proceed on this.

LEGISLATOR DeRIGGI-WHITTON: I would love to have some kind of caveat that, for instance, I just read today they thought the gas prices might come down below \$2 a gallon in the

next year due to certain negotiations and all.
If there is a significant decrease, I would if
there would be a way to protect the county from
overpaying the rates.

CHAIRMAN NICOLELLO: I'm just a little
confused here. Are you referring to the two year
-- the one year extension with the option or are
you referring to what they're going to go out
with the RFP with?

LEGISLATOR DeRIGGI-WHITTON: I would
probably be more concerned with the long term.
If they're coming up with a number and it's based
on I guess history, we've had such a high level
or -- it seems to be that the trend might be a
little bit lower than the recent history. Just
to have some control over what rates.

CHAIRMAN NICOLELLO: But I think once
they come back with the RFP, whether it's with
Suez or somebody else, I think we can really
press them at that time. I think they'd be more
in a position to be able to answer those
questions.

MR. MEYERS: Right. That's exactly
right. Through the procurement process that the

county will be conducting over the next nine months with the biggest players in the industry across the country, looking at this, the county will be in a position to negotiate those rates and include in something across those lines.

What they're doing is effectively, because they're generating electricity, selling electricity in the market, they're effectively subsidizing the thermal energy that's coming to the county customers, of which the county is significantly responsible for. So it depends on the way that works. It's sort of a two-way street. Because they subsidize that, that will result in better rates for the county. Moving forward, we will definitely have that ability on the 25 year lease.

LEGISLATOR DeRIGGI-WHITTON: I guess that's what I could even venture to say, bipartisan, that would be an important element of going forward, just that we have some mechanism in this to guard - just to make sure that the rates are in synch with the current market or something was there reasonable.

MR. MEYERS: Right. And in the existing

lease and what we would work towards in the future lease is a formula to address that concern.

LEGISLATOR DeRIGGI-WHITTON: That's I guess what we're looking for. Thank you.

CHAIRMAN NICOLELLO: Thank you.

Any other questions? Sure. Legislator Bynoe.

LEGISLATOR BYNOE: Thank you. Good afternoon.

MR. MEYERS: Good afternoon.

LEGISLATOR BYNOE: Separately the county is looking to procure an energy performance contract for the purpose of looking at our different facilities. Do you know if, in fact, they will be looking at this plant for any kind of efficiencies?

MR. MEYERS: No, not that I'm familiar with. The only ESCO I believe is on the solar side. I haven't seen anything in conjunction with -- this is a tri-generation facility, where they're generating the hot and chilled water in addition to the electricity that's being generated.

LEGISLATOR BYNOE: The information provided here doesn't isolate it only to solar. So you don't know anything about this ESCO tying into this plant?

MR. MEYERS: No.

LEGISLATOR BYNOE: Okay. Thank you.

MR. MEYERS: You're welcome.

CHAIRMAN NICOLELLO: Any other questions?

(No verbal response.)

Thank you, Mr. Meyers.

MR. MEYERS: Thank you.

CHAIRMAN NICOLELLO: Any public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

The item carries unanimously.

Item 297-2015 is a resolution providing for the issuance of a warrant directing the treasurer of the County of Nassau to pay to the supervisors of the several towns and the treasurers of the several villages and cities

within the county the sums as apportioned by the county legislature based on a report filed by the county treasurer and the county clerk, showing deposits from mortgage taxes for the quarter beginning April 1, 2015 through June 30, 2015; pursuant to the County Government Law of Nassau County and the Nassau County Administrative Code.

LEGISLATOR WALKER: So moved.

LEGISLATOR MACKENZIE: Second.

CHAIRMAN NICOLELLO: Moved by Legislator Walker, seconded by Legislator MacKenzie.

Any discussion on this item?

(No verbal response.)

My understanding is that the mortgages taxes are in the area of 20 percent, which is good news for the villages and towns.

Any other discussion?

(No verbal response.)

Any public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

Item carries unanimously.

Item 298 is a resolution to authorize the transfer of appropriations heretofore made within the budget for the year 2015.

LEGISLATOR WALKER: So moved.

LEGISLATOR MUSCARELLA: Second.

CHAIRMAN NICOLELLO: Moved by Legislator Walker, seconded by Legislator Muscarella.

Any discussion?

(No verbal response.)

Public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

That item carries unanimously.

Do I have a motion to suspend the rules?

LEGISLATOR WALKER: So moved.

LEGISLATOR MUSCARELLA: Second.

CHAIRMAN NICOLELLO: Moved by Legislator Walker, seconded by Legislator Muscarella.

All in favor of suspending the rules to consider the addendum signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

The rules are suspended.

We'll take the first two items first and then the third item is going to require an executive session.

Items 301 and 302-2015. Item 301 is a resolution to authorize the county assessor and/or county treasurer and/or receiver of taxes of the Town of Oyster Bay to partially exempt from real property taxation certain real properties.

Item 302 is a resolution to authorize the county assessor and/or county treasurer and/or receiver of taxes of the Town of Hempstead to correct erroneous assessments and taxes in accordance with the petitions of the county assessor.

LEGISLATOR WALKER: So moved.

LEGISLATOR MACKENZIE: Second.

CHAIRMAN NICOLELLO: Moved by Legislator Walker, seconded by Legislator MacKenzie.

Any discussion on these two items?

(No verbal response.)

Public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

Those two carry unanimously.

Item 303-2015 is a resolution authorizing the county attorney to compromise and settle two actions both entitled *County of Nassau v. Alrose Allegria LLC, et al.*

LEGISLATOR WALKER: So moved.

LEGISLATOR MACKENZIE: Second.

CHAIRMAN NICOLELLO: Moved by Legislator Walker, seconded by Legislator MacKenzie.

The item is before us.

Do we have a motion --

LEGISLATOR MUSCARELLA: So moved.

LEGISLATOR WALKER: Second.

CHAIRMAN NICOLELLO: Legislator Muscarella moves that we go into executive session, seconded by Legislator Walker.

All in favor of going into executive

session signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

We are in executive session.

(Whereupon, the Finance Committee
recessed into executive session at 4:03 p.m.)

(Whereupon, the Finance Committee
reconvened at 4:16 p.m.)

CHAIRMAN NICOLELLO: We're out of
executive session.

We will call 303-2015. Any discussion or
public comment?

(No verbal response.)

All in favor signify by saying aye.

(Aye.)

Those opposed?

(No verbal response.)

That item carries unanimously.

Legislator Walker makes a motion to
adjourn, seconded by Legislator MacKenzie.

All in favor of adjourning signify by
saying aye.

(Aye.)

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2 We are adjourned.

3 (Whereupon, the Finance Committee
4 adjourned at 4:16 p.m.)

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C E R T I F I C A T E

I, FRANK GRAY, a Shorthand Reporter and
Notary Public in and for the State of New York,
do hereby state:

THAT I attended at the time and place above
mentioned and took stenographic record of the
proceedings in the above-entitled matter;

THAT the foregoing transcript is a true and
accurate transcript of the same and the whole
thereof, according to the best of my ability and
belief.

IN WITNESS WHEREOF, I have hereunto set my
hand this _____ day of _____, 2015.

FRANK GRAY